GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:834
ANSWERED ON:21.11.2016
Impact of MNC on MSME
Singh Shri Rakesh

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Micro, Small and Medium Enterprises(MSMEs) of the country are reportedly lagging behind due to availability of products of multinational companies;

(b) if so, the details thereof and the reasons of low quality and price of indigenous products as compared to products manufactured in China;

(c) whether the Government has provided any assistance or taken any preventive measures to protect and promote the domestic MSMEs; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI HARIBHAI PARATHIBHAI CHAUDHARY)

(a) to (d): The survival and growth of Micro, Small and Medium Enterprises (MSMEs) is faced with a number of challenges like availability of timely credit, up-gradation of technology, infrastructure, access to market, low quality of products etc. Competition from internal and external sources is also a challenge and competition from multinational companies is one of them. The Ministry of Micro, Small and Medium Enterprises has been implementing various schemes and programmes for promotion, up-gradation and development of MSMEs. The major schemes / programmes include Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme (CLCSS), National Manufacturing Competitiveness Programme (NMCP), Marketing Assistance and Technology Upgradation (MATU), International Cooperation Scheme and Public Procurement Policy for Micro and Small Enterprises (MSEs) etc. The Ministry of Micro, Small and Medium Enterprises has recently launched a new scheme called financial support to MSMEs in ZED (Zero Defect Zero Effect) certification. The scheme aims to create awareness amongst MSMEs about ZED manufacturing and motivate them to undertake assessment of their enterprise for ZED certification. Further, Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 has the provision to protect MSEs against delayed payments by the buyers of the goods and services rendered by MSEs.